



Sen. John G. Mulroe

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LRB097 05212 AJ0 61501 a

1 AMENDMENT TO HOUSE BILL 3636

2 AMENDMENT NO. \_\_\_\_\_. Amend House Bill 3636 on page 1, by  
3 replacing line 5 with the following:

4 "Sections 16 and 34 as follows:

5 (770 ILCS 60/16) (from Ch. 82, par. 16)

6 Sec. 16. No incumbrance upon land, created before or after  
7 the making of the contract for improvements under the  
8 provisions of this act, shall operate upon the building  
9 erected, or materials furnished until a lien in favor of the  
10 persons having done work or furnished material (hereinafter  
11 "lien creditor") shall have been satisfied, and upon any  
12 questions arising between incumbrancers and lien creditors,  
13 all previous incumbrances shall be preferred only to the extent  
14 of the value of the land at the time of making of the contract  
15 for improvements, but shall not be preferred to the value of  
16 any subsequent improvements, and each ~~the~~ lien creditor shall

1 be preferred to the value of all the subsequent improvements  
2 erected on said premises, whether or not provided by the lien  
3 creditor, and the court shall ascertain by jury or otherwise,  
4 as the case may require, what proportion of the proceeds of any  
5 sale shall be paid to the several parties in interest. All  
6 incumbrances, whether by mortgage, judgment or otherwise,  
7 charged and shown to be fraudulent, in respect to creditors,  
8 may be set aside by the court, and the premises freed and  
9 discharged from such fraudulent incumbrance. When the proceeds  
10 of a sale are insufficient to satisfy the claims of both  
11 previous incumbrancers and lien creditors, the proceeds of the  
12 sale shall be distributed as follows: (i) any previous  
13 incumbrancers shall have a paramount lien in the portion of the  
14 proceeds attributable to the value of the land at the time of  
15 making of the contract for improvements; and (ii) any lien  
16 creditors shall have a paramount lien in the portion of the  
17 proceeds attributable to the value of all subsequent  
18 improvements made to the property.

19 (Source: Laws 1903, p. 230.)"; and

20 on page 1, below line 21, by inserting the following:

21 "Section 99. Effective date. This Act takes effect upon  
22 becoming law."